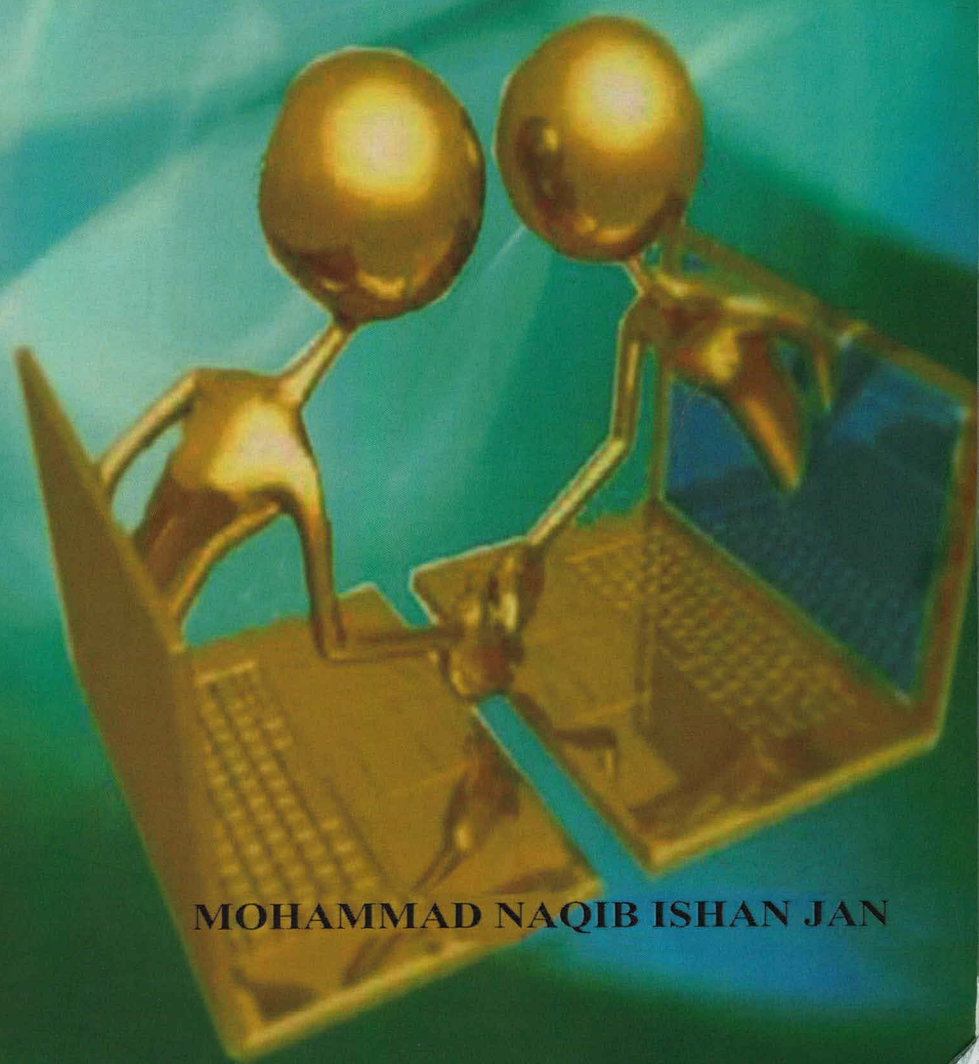


LAW AND COMMERCE : THE MALAYSIAN PERSPECTIVE



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LAW AND COMMERCE: THE MALAYSIAN PERSPECTIVE

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IIUM Press

Published by:
IIUM Press
International Islamic University Malaysia

First Edition, 2011
©IIUM Press, IIUM

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Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Mohammad Naqib Ishan Jan

Law and Commerce: The Malaysian Perspective

Include index

ISBN 978-967-0225-43-2

ISBN: 978-967-0225-43-2

Member of Majlis Penerbitan Ilmiah Malaysia – MAPIM
(Malaysian Scholarly Publishing Council)

Printed by :
IIUM PRINTING SDN. BHD.
No. 1, Jalan Industri Batu Caves 1/3
Taman Perindustrian Batu Caves
Batu Caves Centre Point
68100 Batu Caves
Selangor Darul Ehsan

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CHAPTER 1

LAW AND THE LEGAL SYSTEM IN MALAYSIA: AN OVERVIEW

by

ASHGAR ALI ALI MOHAMED*

Law is referred to as a body of rules and principles governing the affairs of a community and enforced through a set of establishment put in place which includes the courts, the police and the prison systems. Law is established primarily to govern a society and to control the behaviour of its members i.e., to maintain social order and protect harm to persons and property. There are many categories of law that deal with distinct areas of human activities and this includes *inter alia*, contract law, property law, trust law, tort law, constitutional law, criminal law, administrative law and international law.

Meanwhile, the application of a legal system varies from country to country and is largely shaped by the unique history of a particular country. Generally, the most widespread legal systems in the world are the Civil Law, Common Law and Religious Law. In the Civil Law System, statutes passed or enacted by the legislature forms the primary source of law. Generally, a solution to a particular case is based on the provisions in a code or statute. The Common Law System, on the other hand, emphasises on judicial precedent or *stare decisis* which is derived from the decisions